# Rail Investment Centre of Excellence

RICoE

## Role of Sponsor in Network Rail

The role of Sponsor on any project, programme or portfolio is very varied and contextual. Whether Executive, Delegate, Professional, Occasional or indeed Accidental, the Sponsor is accountable to the investors and stakeholders for the delivery of the outcomes and benefits of the initiative.

In Network Rail, an individual or at times teams of professional Delegate Sponsors are appointed by the Client (Executive Sponsor/Funder) on large, complex or higher-risk Capital Investment projects and programmes.

From identification of the Client's needs to benefits realisation, these Sponsors provide leadership to all the participants and stakeholders. Sponsor is ultimately accountable for the success of Client's project/programme and the work of the Deliverer.

Essentially, the Sponsor is the guiding mind throughout the project/programme lifecycle and the link between the Client, Funder, Delivery Agent and key stakeholders.

On any project / programme / portfolio, there are three key roles. Each is focusing on, and is accountable for a specific, different aspects of the initiative. All three roles, depicted in Figure 1 are needed for the effective delivery of any capital investment and internal change programmes alike:

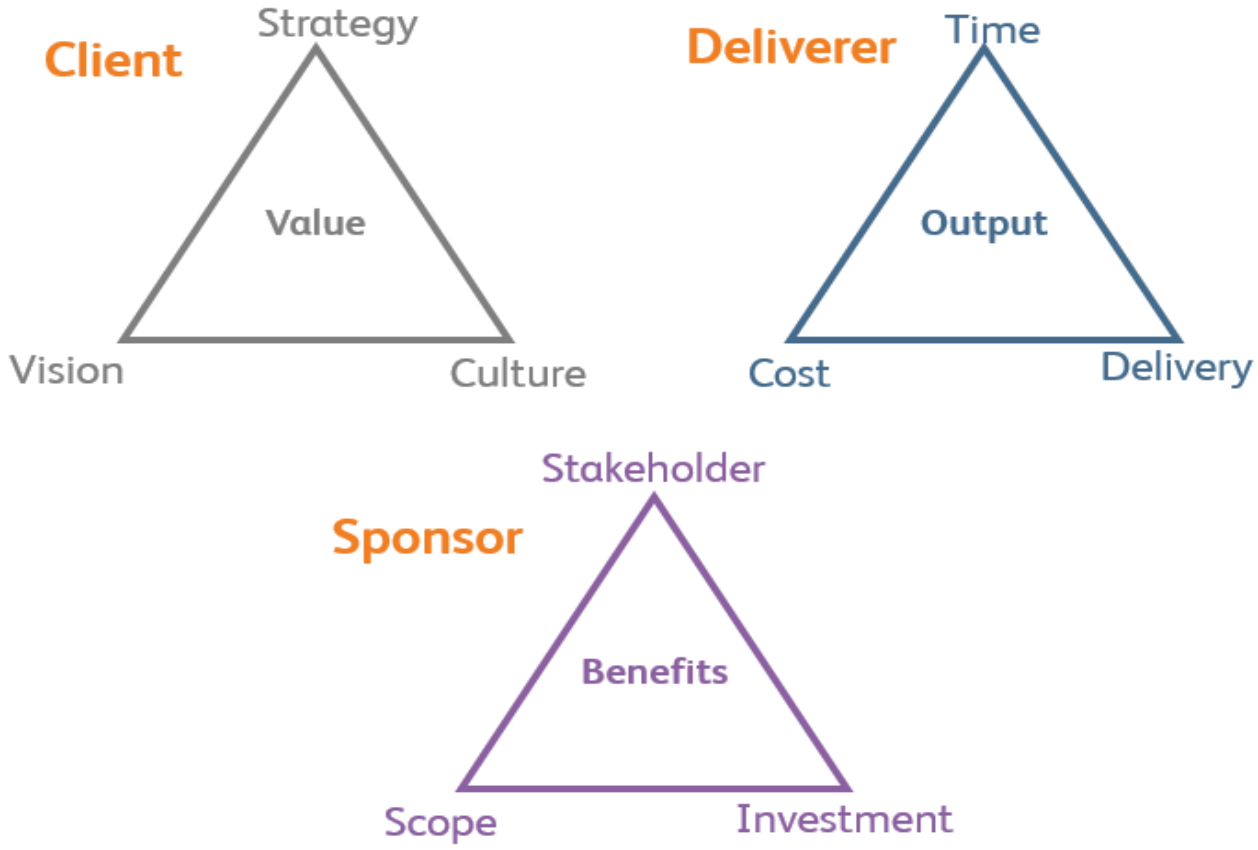


*Figure 1 - Key roles, their focus and accountabilities*

# Rail Investment Centre of Excellence

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### Key roles and their focus

**Client** (Funder, Executive Sponsor, Senior Responsible Owner):

focuses on Value, remains accountable for:
- vision
- strategy and
- project/programme's culture

**Sponsor** (Delegate Sponsor, be that professional, occasional, or accidental):

focuses on Benefits and is accountable for:
- scope
- investment and
- stakeholders

**Deliverer** (Delivery Agent)

focuses on producing the agreed Output and is accountable for:
- delivery of a quality product
- on time and
- to cost

### Where Sponsors add value

There are many ways to describe key activities of the role of Sponsor and the value this role adds (see References for some of them).

Frequently, scale and complexity of projects and programmes requires additional and specific resources with relevant industry expertise to manage the duties of Sponsor. In those instances, Executive Sponsor/Funder/Client engages a Delegate Sponsor who manages key activities.

Skilful Sponsor finds the minimum viable and other options, agrees and manage the delivery of the chosen solution for the initiative; one which meets the needs of the stakeholders, utilising minimum of resources whilst reflecting Client's prioritised value drivers, for example concerning environment, sustainability, increased safety or capacity.

From navigation of the governance regime to stakeholder engagement, Sponsor has the potential to drive time and cost efficiencies and deliver best value solution on the projects/programmes beyond that of any other role.

### Typical activities

In Network Rail, governance of Capital Investment projects details specific requirements on anyone undertaking the role of the delegate Sponsor across the suite of company standards and core processes. Rail Investment Centre of Excellence (RICoE) manage Sponsors' Ways of Working under one of the strategic capabilities.

A full list of applicable standards, relevant clauses, when they need to be discharged, levels of accountability or responsibility, the competencies necessary to undertake them and ways to develop tham can be seen in an interactive Sponsorship Profession Landscape.

## Key activities

As the role of a Sponsor is contextual, the list of typical accountabilities and key deliverables below is not exhaustive nor complete. This indicative list aims to highlight some of the likely activities Sponsors in Network Rail routinely undertake when working on Rail Capital Investment projects and programmes.

### Project

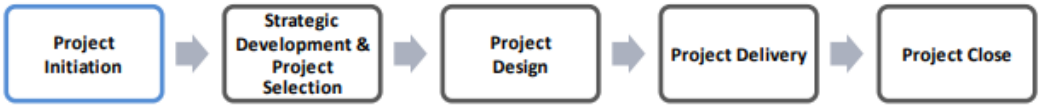


**Fig 2** – PACE project lifecycle stages

Sponsor is appointed in Initiation phase and helps:

- appoint the rest of the team and
- prepare the Project Management Plan

During strategic development, Sponsor:

- determines and baselines Client's requirements and value drivers. Sponsor uses this to
- determine the Minimum Viable Product and other options which might add benefit and value to the Client
- Sponsor presents the options to the Client,
- baselines the agreed scope and seeks funding for the next stage
- throughout the lifecycle, Sponsor manages the investment on behalf of the Client

Through the Design phase, Sponsor:

- instructs and manages development of the option and
- prepares for Delivery stage. This is likely to entail
- obtaining planning permissions,
- planning and implementing changes in timetabling,
- securing possessions,
- extensive engagement with all stakeholders and
- managing commercial concerns

In Delivery phase, Sponsor:

- manages the chosen deliverer,
- verifies and validates that the outputs meet the requirements,
- tests and commissions the Rail change

As the project enters the Close phase, Sponsors accountabilities include:

- asset transfer from project to the infrastructure manager,
- closeout of the project and
- demonstration of the benefits enablement through delivery of the option based on Client's value drivers

## Programme

**Fig 3** – PACE programme lifecycle stages

On a programme, the role of a Sponsor covers a wider, more strategic view of change and management of the investment through the Investment Decision Framework. This helps give Network Rail and the funder confidence to proceed through a series of Joint investment Decisions based on a developing Business Case (from strategic, through outline to full business case)

On a programme, in addition to the activities on individual project, Sponsor also helps with the Programme Definition, where they:

- confirm the strategic context of the proposal
- make the case for change
- examine the right transport solutions and assess them for strategic fit
- articulate programme constraints, including programme (time) and funding envelope

When Developing Programme and selecting projects, Sponsors:

- identify programme methodology and effective tranching of activity to meet requirements; and
- are accountable for delivery of intermediate configuration states where appropriate

In tranche Development and Design, they also:

- demonstrate integration of infrastructure, timetable change, and rolling stock projects needed to meet railway outputs

During programme Closeout, Sponsor:

- demonstrates the benefits realisation to the Client

As all projects and programmes are unique, it is not possible to predetermine all the individual activities Sponsor or any other role will undertake. Strong collaboration across the team and skilful application of the governance and guidance are key predictors of success for the Clients, Sponsors and Delivery agents alike.

For further information on any aspect of the role of a Sponsor in Network Rail, contact Baney Young, Head of Sponsorship in Rail Investment Centre of Excellence or email Sponsorship Support team.

## References

### APM Body of Knowledge 7th edition:

*Sponsor plays a central role in governance and is accountable for the continuing validity of the business case throughout the chosen life cycle, and precedes and supersedes that of the project or programme manager.*

### From the Infrastructure Projects Authority (IPA)'s Project Routemap: (p.20)

*As owner of the business case, the sponsor is responsible for ensuring strategic alignment of the project and achieving the optimum whole life value. They should be the owner of the investment and overall business change.*

### NAO Annual Review of Projects - 2015

*"The effectiveness of the project sponsor is the best single predictor of project success or failure"*

### APM (Association for Project Management) research in 2015

'Conditions for project success' lists success factors that boards should consider to improve outcomes:

1. *Effective governance*
2. *Alignment of goals and objectives*
3. *Capable sponsors*
4. *An organisation which supports its sponsors*
5. *Consideration of end users and operators*

### Major Projects Association

The Project Sponsorship Network page notes that the Sponsor:

- *Provides the line of sight between the project and the benefits of whatever is delivered;*
- *Acts as the broker between the project organization and the client(s);*
- *Is the first port of call for the project team seeking further resources or to authorize major changes to scope or schedule;*
- *Needs to be visible and accessible;*
- *Must have the requisite authority, responsibility and skills to make some of the tough decisions that will affect the project's future*